




Speech By
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MATTER OF PUBLIC INTEREST

Cross River Rail

 **Mr MINNIKIN** (Chatsworth—LNP) (2.45 pm): I rise today to outline concerns in relation to the Labor government's so-called significant infrastructure project, Cross River Rail. This will be South-East Queensland's biggest infrastructure project for over a decade. However, with Labor's poor track record of project delivery, Cross River Rail is certainly deserving of very careful oversight before it becomes yet again another failed Labor project. Right from the beginning, this project got off to a disappointing start and the hits have just kept coming, more recently courtesy of the state's former 'let me be perfectly clear' treasurer.

The business case for this project was released in August 2017. In its assessment of this project, Infrastructure Australia concluded that the benefits of the proposal were significantly overstated and the costs of the project as presented were likely to exceed its benefits. More specifically, Infrastructure Australia considered that the estimates of the growth in rail patronage were too high and that the network's capacity constraints could take longer to materialise. For most agencies, that kind of assessment from the nation's independent adviser on infrastructure investments would have set off the alarm bells, however not for this inept Labor government. Although they were encouraged to go back and work with Infrastructure Australia in order to review the business case, the Labor government chose to simply ignore these findings and go ahead despite the misgivings.

In February 2018, it was indicated that tunnelling work was set to begin in the second quarter of 2019; however, this was subsequently pushed back to mid-2020. Then, in 2019, the investment property saga emerged leading to the former deputy premier and treasurer, who had carriage of Cross River Rail, being removed from all dealings with the project. Accordingly, the responsibility for delivering the Cross River Rail project was shifted to a new minister, with construction works eventually beginning in September last year. However, early in the construction phase workplace health and safety officers identified various contraventions involving contamination from asbestos-containing material occurring at the Albert Street site of Cross River Rail. The contraventions included not wetting down a site while removing 200 lineal metres of wall; workers' shoes not being decontaminated; appropriate protection equipment not being worn—type 5 disposable overalls, P2 half-face respirators; and appropriate training not being provided to workers. While progress has been slow, tunnelling has finally started with a road header excavating the first part of the project's Roma Street site.

The Rail Supporters Association of Queensland recently reviewed the current Cross River Rail project and provided a report on its conclusions. Many issues were raised including significant capacity and operational limitations with the project which will impact the people of Queensland for generations and which cannot be fixed except at massive cost; the project provides little or no additional usable capacity overall to that currently available; and massive investment for capacity expansion is required. Furthermore, it identifies serious deficiencies in the economic assessment of Cross River Rail as the

estimated cost of delivery has been significantly and systematically understated. For any government, let alone one with a dubious reputation for project delivery, this surely must have been cause for review—but, again, evidently not!

Due for completion in 2024, there are growing alarms about cost blowouts and the uncertainty surrounding this project. To add to the pressure, the Auditor-General's report No. 11 for 2019-20 relating to Queensland government state finances highlights right on page 1 that the financial performance of the Queensland government has reduced over the last two financial years. The report goes on to state that debt is expected to rise over the next four years as the government commences a program of capital works and highlights that the delivery of major infrastructure projects like CRR needs to be closely monitored. Evidently, despite introducing nine new or increased taxes, Labor was still spending more than it earned, and this was all well before the COVID-19 crisis arrived and not because of it.

Under Labor, public transport users have already endured the costly 'rail fail'. Queensland cannot afford yet another project disaster with 'Cross River fail'. In terms of transparency, Labor has again failed miserably. It has failed to release the business case for the project and failed to provide any revised train service plan. It has underestimated that Cross River Rail is contingent on further network improvements, including layout issues north and south of the new tunnels as well as upgrading lines such as Cleveland and replacing level crossings. Just like the state budget, the full cost of all of the components associated with this project continues to be hidden. In response to a recent question on notice about the full costs, it was stated to be \$5.4 billion. It has not been made clear what further costs will be incurred with the delivery of this project. What will it cost?